United Nations A/50/6 (Sect. 29)

General Assembly
Fiftieth session

9 May 1995

Proposed programme budget for the biennium 1996-1997*

Part X Office of Internal Oversight Services

Section 29
Office of Internal Oversight Services

Contents

Page

Overview 1

A. Executive direction and management 5

Office of the Under-Secretary-General 5

B. Programme of work 7

* The present document contains section 29 of the proposed programme budget for the biennium 1996-1997. The complete proposed programme budget will subsequently be issued in final printed form as *Official Records of the General Assembly, Fiftieth Session, Supplement No. 6* (A/50/6/Rev.1).

95-14080 (E) 020695

060695

Part X
Office of Internal Oversight Services

Section 29
Office of Internal Oversight Services

Overview

29.1 The Office of Internal Oversight Services was established in September 1994 pursuant to General Assembly resolution 48/218 B of 29 July 1994. The Office has assumed the functions prescribed for the Office for Inspections and Investigations, as described in the note by the Secretary-General (A/48/640), and amended in resolution 48/218 B. The purpose of the Office is to assist the Secretary-General in fulfilling his internal oversight responsibilities through the exercise of its functions with regard to monitoring, internal audit, inspection, evaluation and investigation. In this connection, major redeployments have taken place among the units forming the Office with a view to fulfilling its revised and expanded mandate.

29.2 The Office is responsible for subprogramme 1 of programme 40, Administrative direction and management, and subprogramme 7 and part of subprogramme 5 of programme 42, Programme planning, budget and finance, of the medium-term plan for period 1992-1997, as revised (A/47/6/Rev.1), which were previously implemented by the Department of Administration and Management. The timing of the establishment of the new Office and the appointment of its head did not permit appropriate revisions to the medium-term plan to be included among those submitted to the General Assembly through the Committee for Programme and Coordination and the Advisory Committee on Administrative and Budgetary Questions in 1994. The programmatic structure and content of section 29 therefore modify the existing structure under the plan to reflect, *inter alia*, the mandate contained in General Assembly resolution 48/218 B.

29.3 In recent years the legislative bodies have taken decisions that will intensify and expand activities of the United Nations in peace-keeping and peacemaking, humanitarian affairs, the environment and other areas. As the activities and financial transactions of the Organization increase in number and complexity, there is a need to strengthen the oversight functions substantially, and this becomes even more necessary with the delegation of authority to regional commissions. Management and financial controls should be strengthened and monitored for their effectiveness in reducing or minimizing the risks of waste, fraud and abuse, and in facilitating the efficient and economical use of resources for the achievement of programmes established by legislative bodies. At the same time, there is a growing concern in the General Assembly that the extrabudgetary resources of the Organization have not received adequate audit attention to determine whether the resources are being utilized efficiently, economically and effectively and for the purposes intended, that is to say to ensure that there is value for money being spent. The design, development and launching into operation of the new Integrated Management Information System demands correspondingly new audit competence and skills in ensuring that effective controls are built into the system.

29.4 The objectives of the programme are to ensure compliance with resolutions of the General Assembly and with regulations, rules and policies of the United Nations; to monitor programme implementation and evaluate the results achieved; to prevent waste, abuse and malfeasance; to investigate alleged mismanagement and acts of misconduct; and to recommend policies and measures for the promotion of economy and efficiency based on these audits, inspections and investigations.

29.5 The Office initially had only the resources appropriated for the units whose functions it absorbed. At its forty-ninth session, in December 1994, the General Assembly approved the establishment of eight additional posts (two P-5, two P-4, one P-3, two General Service (Principal level) and one General Service

(Other level)). The proposals for 1996-1997 would entail further growth of $2,831,700 including provision for 14 new posts (1 D-1, 4 P-5, 4 P-4, 2 P-3, 1 General Service (Principal level) and 2 General Service (Other level)), partially offset by the redeployment to the Office of Human Resources Management of 1 P-5 and 2 General Service (Principal Level) posts with their functions.

Table 29.1 Summary of requirements by programme
(Thousands of United States dollars)

(1) *Regular budget*

Programme	*1992-1993 expenditures*	*1994-1995 appropriations*	*Resource growth*		*Total before recosting*	*Recosting*	*1996-1997 estimates*
			Amount	*Percentage*			
A. Executive direction and management							
Office of the Under-Secretary-General	—	618.1	840.9	136.0	1 459.0	100.4	1 559.4
B. Programme of work							
1. Evaluation	2 184.4	1 623.7	77.3	4.7	1 701.0	96.1	1 797.1
2. Audit and management consulting	6 502.7	7 826.2	(142.0)	(1.8)	7 684.2	533.2	8 217.4
3. Monitoring and inspection	—	1 148.7	228.2	19.8	1 376.9	78.3	1 455.2
4. Investigations	—	811.0	1 827.3	225.3	2 638.3	154.4	2 792.7
Total	**8 687.1**	**12 027.7**	**2 831.7**	**23.5**	**14 859.4**	**962.4**	**15 821.8**

(2) *Extrabudgetary resources*

1992-1993 expenditures	*1994-1995 estimates*	*Source of funds*	*1996-1997 estimates*
		(a) Services in support of:	
1 553.9	3 404.6	(i) United Nations organizations	3 696.9
		(ii) Extrabudgetary activities	
307.5	594.4	Support to extrabudgetary substantive activities	623.3
1 379.1	1 359.5	Technical cooperation activities	570.3
853.5	2 225.8	Peace-keeping operations	2 894.1
—	—	(b) Substantive activities	—
—	—	(c) Operational projects	—
4 094.0	**7 584.3**	**Total**	**7 784.6**
12 781.1	**19 612.0**	**Total (1) and (2)**	**23 606.4**

Table 29.2 **Summary by object of expenditure**
(Thousands of United States dollars)

(1) *Regular budget*

Object of expenditure	*1992-1993 expenditures*	*1994-1995 appropriations*	*Resource growth*		*Total before recosting*	*Recosting*	*1996-1997 estimates*
			Amount	*Percentage*			
Posts	8 304.6	11 080.4	2 195.5	19.8	13 275.9	871.0	14 146.9
Other staff costs	11.7	64.3	44.6	69.3	108.9	5.0	113.9
Consultants and experts	35.3	72.1	129.0	178.9	201.1	9.5	210.6
Travel	176.3	357.6	200.0	55.9	557.6	27.2	584.8
Contractual services	15.9	89.8	30.0	33.4	119.8	5.6	125.4
General operating expenses	80.6	151.5	(2.5)	(1.6)	149.0	7.2	156.2
Supplies and materials	18.2	22.2	52.6	236.9	74.8	4.8	79.6
Equipment	44.5	189.8	182.5	96.1	372.3	32.1	404.4
Total	**8 687.1**	**12 027.7**	**2 831.7**	**23.5**	**14 859.4**	**962.4**	**15 821.8**

(2) *Extrabudgetary resources*

1992-1993 expenditures	*1994-1995 estimates*	*Object of expenditure*	*1996-1997 estimates*
3 495 8	6 889.4	Posts	7 299.2
197.9	170.4	Other staff costs	23.4
—	25.0	Consultants and experts	25.0
325.3	465.0	Travel	360.0
30.9	25.0	General operating expenses	25.0
3.3	9.5	Supplies and materials	10.0
40.8	0.0	Equipment	42.0
4 094.0	**7 584.3**		**7 784.6**
12 781.1	**19 612.0**		**23 606.4**

Table 29.3 **Post requirements**

Organizational unit: Office of Internal Oversight Services

	Established posts		*Temporary posts*					
	Regular budget		*Regular budget*		*Extrabudgetary resources*		*Total*	
	1994-1995	*1996-1997*	*1994-1995*	*1996-1997*	*1994-1995*	*1996-1997*	*1994-1995*	*1996-1997*
Professional category and above								
USG	1	1	—	—	—	—	1	1
D-2	1	1	—	—	—	—	1	1
D-1	3	4	—	—	1	—	4	4
P-5	9	12	—	—	4	3	13	15
P-4/3	24	30	—	—	22	22	46	52
P-2/1	8	8	—	—	1	1	9	9
Total	**46**	**56**	**—**	**—**	**28**	**26**	**74**	**82**
General Service category								
Principal level	11	10	—	—	1	1	12	11
Other levels	15	17	—	—	8	8	23	25
Total	**26**	**27**	**—**	**—**	**9**	**9**	**35**	**36**
Other categories								
Local level	—	—	—	—	1	1	1	1
Total	**—**	**—**	**—**	**—**	**1**	**1**	**1**	**1**
Grand total	**72**	**83**	**—**	**—**	**38[a]**	**36[b]**	**110**	**119**

[a] 1994-1995: extrabudgetary posts for support to the Office of the United Nations High Commissioner for Refugees (1 P-5, 4 P-4, 3 P-3, 1 General Service (Principal level) and 2 General Service (Other level); the International Trade Centre UNCTAD/GATT (1 P-2); support to extrabudgetary administrative structures (1 P-4, 1 Local level); technical cooperation reimbursement resources (1 D-1, 2 P-5 and 3 General Service (Other level)); support to extrabudgetary substantive activities (1 P-4, 1 P-3 and 2 General Service (Other level)); support for peace-keeping operations (1 P-5, 7 P-4, 5 P-3 and 1 General Service (Other level)), totalling 38 posts.

[b] 1996-1997: extrabudgetary posts for support to the Office of the United Nations High Commissioner for Refugees (1 P-5, 4 P-4, 3 P-3, 1 General Service (Principal level), 2 General Service (Other level)); the International Trade Centre UNCTAD/GATT (1 P-2); support to extrabudgetary administrative structures (1 P-4, 1 Local level); technical cooperation reimbursement resources (1 P-5 and 3 General Service (Other level)); support to extrabudgetary substantive activities (1 P-4, 1 P-3 and 2 General Service (Other level)); support for peace-keeping operations (1 P-5, 7 P-4, 5 P-3 and 1 General Service (Other level)), totalling 36 posts.

A. Executive direction and management

Office of the Under-Secretary-General

Table 29.4 **Summary by object of expenditure**
(Thousands of United States dollars)

Object of expenditure	*1992-1993 expenditures*	*1994-1995 appropriations*	*Resource growth*		*Total before recosting*	*Recosting*	*1996-1997 estimates*
			Amount	*Percentage*			
Posts	—	618.1	533.6	86.3	1 151.7	85.4	1 237.1
Other staff costs	—	—	38.7	—	38.7	1.8	40.5
Consultants and experts	—	—	27.8	—	27.8	1.3	29.1
Travel	—	—	48.5	—	48.5	2.5	51.0
General operating expenses	—	—	143.5	—	143.5	7.0	150.5
Equipment	—	—	48.8	—	48.8	2.4	51.2
Total	**—**	**618.1**	**840.9**	**136.0**	**1 459.0**	**100.4**	**1 559.4**

Table 29.5 **Post requirements**

Organizational unit: Office of the Under-Secretary-General

	Established posts		*Temporary posts*					
	Regular budget		*Regular budget*		*Extrabudgetary resources*		*Total*	
	1994-1995	*1996-1997*	*1994-1995*	*1996-1997*	*1994-1995*	*1996-1997*	*1994-1995*	*1996-1997*
Professional category and above								
USG	1	1	—	—	—	—	1	1
P-5	1	1	—	—	—	—	1	1
P-4/3	1	1	—	—	—	—	1	1
Total	**3**	**3**	**—**	**—**	**—**	**—**	**3**	**3**
General Service category								
Principal level	1	2	—	—	—	—	1	2
Other levels	—	2	—	—	—	—	—	2
Total	**1**	**4**	**—**	**—**	**—**	**—**	**1**	**4**
Grand total	**4**	**7**	**—**	**—**	**—**	**—**	**4**	**7**

29.6 The Office of the Under-Secretary-General provides overall direction, supervision and management of the activities of the Office of Internal Oversight Services. It is responsible for the planning and monitoring of the work programme of the Office of Internal Oversight Services as well as for providing administrative support to the whole office.

Activities

Parliamentary services

Parliamentary documentation. Annual analytical and summary report to the General Assembly on the activities of the Office of Internal Oversight Services.

Resource requirements (at current rates)

Posts

29.7 Estimated requirements under this heading ($1,151,700) relate to salaries and common staff costs for established posts, representing a growth of $533,600. This reflects the full biennial cost of the posts added in the course of 1994-1995 as well as a new General Service (Principal level) post, and two General Service (Other level) posts redeployed from the Audit and Management Consulting Division.

29.8 In order to provide adequate supervision and management, the Office of the Under-Secretary-General needs to be strengthened. A General Service (Principal level) post is needed to provide support in the area of personnel and budget for the Office.

Other staff costs

29.9 Provisions of $38,700 under this heading relate to general temporary assistance in order to provide adequate coverage during peak periods and for staff on extended sick or maternity leave ($19,100) and overtime to cover peak periods and during sessions of the General Assembly ($19,600).

Consultants and experts

29.10 Resources amounting to $27,800 are proposed for consultancy services in the specialized areas related to oversight services.

Travel

29.11 Resources amounting to $48,500 are proposed to enable the Under-Secretary-General and senior staff to travel to various duty stations during the biennium on various activities of the office which would require intervention of senior management.

General operating expenses

29.12 Provisions of $143,500 relate to communications ($50,000) and maintenance of office automation equipment ($91,500), which are centralized under the Office of the Under-Secretary-General, as well as to hospitality by various officials of the Office to outside specialists in various fields ($2,000).

Equipment

29.13 An amount of $48,800 is required for office automation equipment and security equipment such as safes and shredders.

B. Programme of work

Subprogramme 1
Evaluation

Table 29.6 **Summary by object of expenditure**
(Thousands of United States dollars)

(1) *Regular budget*

Object of expenditure	*1992-1993 expenditures*	*1994-1995 appropriations*	*Resource growth*		*Total before recosting*	*Recosting*	*1996-1997 estimates*
			Amount	*Percentage*			
Posts	2 102.6	1 434.2	122.4	8.5	1 556.6	89.5	1 646.1
Consultants and experts	17.7	35.2	—	—	35.2	1.6	36.8
Travel	30.9	58.3	—	—	58.3	2.7	61.0
Contractual services	—	—	30.0	—	30.0	1.5	31.5
General operating expenses	19.8	41.3	(36.4)	(88.1)	4.9	0.2	5.1
Equipment	13.4	54.7	(38.7)	(70.7)	16.0	0.6	16.6
Total	**2 184.4**	**1 623.7**	**77.3**	**4.7**	**1 701.0**	**96.1**	**1 797.1**

(2) *Extrabudgetary resources*

1992-1993 expenditures	*1994-1995 estimates*	*Source of funds*	*1996-1997 estimates*
		(a) Services in support of:	
—	—	(i) United Nations organizations	—
		(ii) Extrabudgetary activities	
218.6	245.7	Technical cooperation activities	—
—	—	(b) Substantive activities	—
—	—	(c) Operational projects	—
218.6	**245.7**	**Total**	**—**
2 403.0	**1 869.4**	**Total (1) and (2)**	**1 797.1**

Table 29.7 **Post requirements**

Programme: Evaluation

	Established posts		*Temporary posts*					
	Regular budget		*Regular budget*		*Extrabudgetary resources*		*Total*	
	1994-1995	*1996-1997*	*1994-1995*	*1996-1997*	*1994-1995*	*1996-1997*	*1994-1995*	*1996-1997*
Professional category and above								
D-1	1	1	—	—	—	—	1	1
P-5	1	2	—	—	1	—	2	2
P-4/3	3	3	—	—	—	—	3	3
P-2/1	—	—	—	—	—	—	—	—
Total	**5**	**6**	**—**	**—**	**1**	**—**	**6**	**6**
General Service category								
Other levels	4	4	—	—	—	—	4	4
Total	**4**	**4**	**—**	**—**	**—**	**—**	**4**	**4**
Grand total	**9**	**10**	**—**	**—**	**1** [a]	**—**	**10**	**10**

[a] One P-5 post was financed by technical cooperation reimbursement resources.

29.14 The legislative authority for the activities under this heading derives from article 6, Evaluation, of the Regulations Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, subprogramme 7 of programme 42 of the medium-term plan for 1992-1997, as revised, paragraph 5 (c) (iii) of General Assembly resolution 48/218 B, as well as resolutions adopted at each session of the General Assembly endorsing recommendations of the Committee for Programme and Coordination on evaluation activities carried out by the Central Evaluation Unit.

29.15 The objectives of the subprogramme, as stated in regulation 6.1, are to determine, as systematically and objectively as possible, the relevance, efficiency, effectiveness and impact of the Organization's activities in relation to their objectives and to enable the Secretariat and Member States to engage in systematic reflections, with a view to increasing the effectiveness of the main programmes of the Organization by altering their content and, if necessary, reviewing their objectives. To this end, the Central Evaluation Unit will:

(a) Provide the Committee for Programme and Coordination and the General Assembly, at their request, with in-depth evaluation studies for their consideration;

(b) Provide the Committee for Programme and Coordination with reports on the implementation of recommendations adopted by the General Assembly three years after the recommendations are adopted;

(c) Provide functional and regional intergovernmental bodies, at their request, with in-depth evaluation studies within their areas of competence;

(d) Assist departments and offices throughout the Secretariat in implementing approved evaluation recommendations;

(e) Provide support to the evaluation activities of departments and offices.

Activities

1. Parliamentary services

Parliamentary documentation

(a) In-depth evaluation reports on the Department of Public Information and on peace-keeping operations: termination phase, biennial report on strengthening the role of evaluation and triennial review of the UNHCR evaluation (1996);

(b) In-depth evaluation reports on statistics and on the Department of Humanitarian Affairs, triennial reviews on peace-keeping: start-up phase (substantive components), on social development and on programme 45, Africa critical economic situation, recovery and evaluation (1997).

2. Internal oversight services

(a) Much greater emphasis than in the past will be given to review of, and assistance with, compliance. Interim reports on compliance will be made in annual reports of the Office of Internal Oversight Services;

(b) Advice and substantive support will be given to departments and offices engaged in their own evaluation activities. Training seminars on evaluation methodologies and techniques will continue to be conducted at the request of departments and offices.

Resource requirements (at current rates)

Posts

29.16 The estimated requirements of $1,556,600 reflect a positive growth of $122,400 relating to a new P-5 post for a senior evaluation officer.

Consultants and experts

29.17 Estimated resources of $35,200, at maintenance level, will be required for specialized in-depth evaluations to be conducted during the biennium 1996-1997.

Travel

29.18 The estimated requirements of $58,300, at maintenance level, relate to travel required to conduct structured interviews and to assess the status of implementation of evaluation recommendations *in situ*. In addition, staff members need to travel to attend inter-agency meetings on evaluation questions and to provide training on evaluation methodology to departments and offices away from Headquarters.

Contractual services

29.19 Provision of $30,000 is needed under database rental for connection to the NEXIS and DIALOG data bases.

General operating expenses

29.20 The estimated amount of $4,900 relates to rental and maintenance of data-processing equipment ($3,400), reflecting a negative growth of $700, and hospitality ($1,500) at maintenance level. The negative growth of $35,700 reflects centralization of the provision for maintenance of office automation equipment under the Office of the Under-Secretary-General.

Equipment

29.21 The estimated requirements of $16,000 would provide for replacement of office automation equipment, reflecting a negative growth of $38,700.

Subprogramme 2
Audit and management consulting

Table 29.8 **Summary by object of expenditure**
(Thousands of United States dollars)

(1) *Regular budget*

Object of expenditure	*1992-1993 expenditures*	*1994-1995 appropriations*	*Resource growth*		*Total before recosting*	*Recosting*	*1996-1997 estimates*
			Amount	*Percentage*			
Posts	6 202.0	7 111.0	(173.6)	(2.4)	6 937.4	482.8	7 420.2
Other staff costs	11.7	38.6	2.0	5.1	40.6	2.0	42.6
Consultants and experts	17.6	31.0	61.8	199.3	92.8	4.3	97.1
Travel	145.4	288.3	27.4	9.5	315.7	15.6	331.3
Contractual services	15.9	89.8	—	—	89.8	4.1	93.9
General operating expenses	60.8	110.2	(109.6)	(99.4)	0.6	—	0.6
Supplies and materials	18.2	22.2	3.9	17.5	26.1	1.7	27.8
Equipment	31.1	135.1	46.1	34.1	181.2	22.7	203.9
Total	**6 502.7**	**7 826.2**	**(142.0)**	**(1.8)**	**7 684.2**	**533.2**	**8 217.4**

(2) *Extrabudgetary resources*

1992-1993 expenditures	*1994-1995 estimates*	*Source of funds*	*1996-1997 estimates*
		(a) Services in support of:	
1 553.9	3 404.6	(i) United Nations organizations	3 696.9
		(ii) Extrabudgetary activities	
307.5	594.4	Support to extrabudgetary substantive activities	623.3
1 160.5	1 113.8	Technical cooperation	570.3
853.5	2 225.8	Peace-keeping operations	2 894.1
—	—	(b) Substantive activities	—
—	—	(c) Operational projects	—
3 875.4	**7 338.6**		**7 784.6**
10 378.1	**15 164.8**		**16 002.0**

Table 29.9 **Post requirements**

Programme: Audit and management consulting

	Established posts		*Temporary posts*					
	Regular budget		*Regular budget*		*Extrabudgetary resources*		*Total*	
	1994-1995	*1996-1997*	*1994-1995*	*1996-1997*	*1994-1995*	*1996-1997*	*1994-1995*	*1996-1997*
Professional category and above								
D-2	1	1	—	—	—	—	1	1
D-1	1	1	—	—	1	—	2	1
P-5	5	6	—	—	3	3	8	9
P-4/3	16	14	—	—	22	22	38	36
P-2/1	6	7	—	—	1	1	7	8
Total	**29**	**29**	**—**	**—**	**27**	**26**	**56**	**55**
General Service category								
Principal level	9	7	—	—	1	1	10	8
Other levels	7	5	—	—	8	8	15	13
Total	**16**	**12**	**—**	**—**	**9**	**9**	**25**	**21**
Other categories								
Local level	—	—	—	—	1	1	1	1
Total	**—**	**—**	**—**	**—**	**1**	**1**	**1**	**1**
Grand total	**45**	**41**	**—**	**—**	**37**	**36**	**82**	**77**

29.22 The legislative authority for the activities under this heading derives from subprogramme 1 of programme 40 and subprogramme 7 of programme 42 of the medium-term plan for 1992-1997, as revised, as well as from General Assembly resolution 48/218 B.

29.23 Prior to the establishment of the Office for Inspections and Investigations, and later the Office of Internal Oversight Services, the Internal Audit Division was responsible for the activities of this subprogramme. Since then, management auditing has been intensified. Organizationally, the former Management Advisory Service was incorporated into the Internal Audit Division, which was renamed the Audit and Management Consulting Division.

29.24 The overall objective of this subprogramme is to provide comprehensive audit services for all United Nations activities for which the Secretary-General has administrative responsibility. These should promote reliability of information; compliance with policies, regulations, rules and procedures; the safeguarding of assets; the economical, efficient and effective use of resources (value for money); and the accomplishment of established objectives and goals for operations and programmes.

29.25 The specific tasks as set out in General Assembly resolution 48/218 B are the following:

(a) To examine, review and appraise the use of financial resources of the United Nations in order to guarantee the implementation of programmes and legislative mandates;

(b) To ascertain compliance of programme managers with the financial and administrative regulations and rules, as well as with the approved recommendations of external oversight bodies;

(c) To undertake management audits, reviews and surveys to improve the structure of the Organization and its responsiveness to the requirements of programmes and legislative mandates;

(d) To monitor the effectiveness of the systems of internal control of the Organization.

29.26 The Audit programmes for each year of the biennium 1996-1997 will reflect the above objectives. The planning of the audit assignments will be based on risk analysis and developed in accordance with relevant professional criteria and Secretariat priorities. Normally, audit assignments are carried out by a team of auditors. The teams will be staffed either by auditors from a single duty station or from different duty stations, including resident auditors in peace-keeping missions, depending on the objectives and scope of an audit.

Activities

Internal oversight services

(a) During the biennium, major aspects of activities at Headquarters, the United Nations Office at Geneva, the United Nations Office at Vienna, and all regional commissions will be reviewed. Operations of UNHCR, the United Nations International Drug Control Programme, UNEP, UNCHS, the Centre for Human Rights, UNCTAD and the International Trade Centre UNCTAD/GATT will also be audited. The scope of these audits will include the system of internal controls, payroll and personnel management, staff costs and allowances, procurement and inventory controls;

(b) All peace-keeping operations will be audited during the biennium 1996-1997, with the major ones being examined two or three times during this period. In addition to areas mentioned, audits will concentrate on the in-and-out surveys, and the handling of contracts, especially procurement and service contracts. Safeguarding of assets in peace-keeping operations and cash security will be kept under constant scrutiny. Management audit of civilian components will be performed in order to ensure that human resources are utilized properly;

(c) During the conduct of more than 200 reviews of United Nations assets, liabilities, income and expenditures, the Audit and Management Consulting Division would determine the extent to which assets are properly safeguarded; compliance with the established regulations, rules, policies, procedures and standards governing the acquisition, use, recording or control of the Organization's accounts; the reliability and integrity of financial and operating information; and the adequacy and effectiveness of related internal controls;

(d) Approximately 20 management audits are to be undertaken. These audits will examine and evaluate the performance of the management of the Organization to ensure that its goals are met with economy, effectiveness and efficiency. They will focus on the review of management practices and processes, the assessment of internal controls and the identification of cost savings and productivity gains. About 70 per cent of these audits will be undertaken in the regional commissions and peace-keeping operations and for technical cooperation projects and humanitarian assistance programmes;

(e) Approximately 20 electronic data-processing audits will be undertaken. They will involve determining the extent to which a rational policy and set of procedures governing the acquisition, safeguarding and management of the utilization of computer equipment, software and systems are established and implemented; standards for the economical and efficient production and utility and quality of electronic data-processing outputs are set and observed; and related internal controls are adequate and effective. Also falling under this type of audit, which will be undertaken mostly at Headquarters and main duty stations, is the continuing audit of the implementation of the Integrated Management Information System (IMIS) to ensure its auditability and that security and internal controls are installed and functioning as intended. The audit of IMIS will include the development and utilization of computer-assisted audit techniques as well as the designing of data retrieval programmes to access both applications data and the audit trail in order to automate to the greatest extent possible the auditing process of transactions and systems carried under IMIS;

(f) Ten major reviews and surveys will be undertaken to identify management problems or deficiencies requiring management improvements and to improve the structure of the Organization and its responsiveness to the requirements of programmes and legislative mandates.

Resource requirements (at current rates)

Posts

29.27 Estimated requirements for the Division, including its European and African sections at Geneva and Nairobi, are $6,937,400. The related negative growth of $173,600 reflects redeployment of three posts (one P-5 and two General Service (Principal level)) with their functions to the Office of Human Resources Management, offset by the creation of four new posts (one D-1, two P-5 and one General Service (Other level)).

29.28 One D-1 post is needed in the Audit and Management Consulting Division to assist the Director in administering the mandate and the staff and activities of the Division, to act as officer-in-charge during the absence of the Director and to produce, on his/her own, some of the planned outputs of the Division. This position replaces an extrabudgetary post. The responsibilities include quality assurance, career development and training, audit direction and consultation.

29.29 Two P-5 posts are needed for Section Chiefs at Geneva (European Section) and Nairobi (African Section). They will provide proper supervision of the audit staff and ensure high quality audit services to the auditees. The Chief at Geneva will be responsible for general and extrabudgetary funds administered by Europe-based entities, including the United Nations Office at Geneva, the United Nations Office at Vienna, UNCTAD, the Centre for Human Rights, the International Trade Centre, ECE, the United Nations International Drug Control Programme, the International Court of Justice, UNIDIR, UNRISD and the Interregional Crime and Justice Research Institute. The Chief of the African Section manages the audits of general and extrabudgetary funds administered by entities based in Africa and the Middle East. They are UNEP, UNCHS, ECA and the Multinational Programming and Operational Centres (MULPOCs), ESCWA and the African Institute for Economic Development and Planning.

29.30 One General Service (Other level) post is needed in the Office of the Director to provide services related to the LAN.

Other staff costs

29.31 Resources estimated at $40,600 are required for general temporary assistance ($32,500), at the maintenance level, to provide coverage during peak periods for staff on extended sick leave or maternity leave, and for overtime ($8,100), reflecting a growth of $2,000, for periods of peak workload and other exigencies.

Consultants and experts

29.32 Resources estimated at $92,800, reflecting a growth of $61,800, are required for the biennium. Growth relates to specialized technology, increased involvement in management audit and intricate applications, all of which require additional expertise.

Travel

29.33 Resources estimated at $315,700, reflecting a growth of $27,400, are required. Additional travel is necessary because, in addition to the continued emphasis on peace-keeping missions, there is a new increased emphasis on management audits and a need for electronic data-processing coverage outside Headquarters, which has been negligible for the last five years.

Contractual services

29.34 Resources estimated at $89,800, at maintenance level, are required to provide specialized training to staff of the Office for Inspections and Investigations in management audit, EDP audits and various seminars which are not included in the global training programme of the Office of Human Resources Management.

General operating expenses

29.35 Provision is made for official functions ($600) at maintenance base level. The negative growth of $109,600 reflects redeployment to the Office of the Under-Secretary-General of provisions for maintenance of office automation equipment ($109,000) and the elimination of a provision for hospitality ($600).

Supplies and materials

29.36 The requirement is estimated at $26,100, reflecting growth of $3,900 owing to increased activities.

Equipment

29.37 Resources estimated at $181,200 are proposed. Increased staffing and the need for integrated administrative systems have significantly increased equipment requirements. The LAN requested for Nairobi should improve the efficiency of this section. Another LAN will be needed by Headquarters to support not only the Audit and Management Consulting Division, but also other sections of the Office of Internal Oversight Services. Additional laptops are needed to support the planned increase in global coverage. Provision is also made for replacement of office automation equipment.

Subprogramme 3
Monitoring and inspection

Table 29.10 **Summary by object of expenditure**
(Thousands of United States dollars)

Object of expenditure	*1992-1993 expenditures*	*1994-1995 appropriations*	*Resource growth*		*Total before recosting*	*Recosting*	*1996-1997 estimates*
			Amount	*Percentage*			
Posts	—	1 106.1	212.2	19.1	1 318.3	75.5	1 393.8
Other staff costs	—	25.7	(11.7)	(45.5)	14.0	0.6	14.6
Consultants and experts	—	5.9	7.7	130.5	13.6	0.7	14.3
Travel	—	11.0	17.4	158.1	28.4	1.3	29.7
General operating expenses	—	—	—	—	—	—	—
Equipment	—	—	2.6	—	2.6	0.2	2.8
Total	**—**	**1 148.7**	**228.2**	**19.8**	**1 376.9**	**78.3**	**1 455.2**

Table 29.11 **Post requirements**

Programme: Monitoring and inspection

	Established posts		*Temporary posts*					
	Regular budget		*Regular budget*		*Extrabudgetary resources*		*Total*	
	1994-1995	*1996-1997*	*1994-1995*	*1996-1997*	*1994-1995*	*1996-1997*	*1994-1995*	*1996-1997*
Professional category and above								
D-1	1	1	—	—	—	—	1	1
P-5	1	1	—	—	—	—	1	1
P-4/3	1	3	—	—	—	—	1	3
P-2/1	1	1	—	—	—	—	1	1
Total	**4**	**6**	**—**	**—**	**—**	**—**	**4**	**6**
General Service category								
Other levels	3	3	—	—	—	—	3	3
Total	**3**	**3**	**—**	**—**	**—**	**—**	**3**	**3**
Grand total	**7**	**9**	**—**	**—**	**—**	**—**	**7**	**9**

29.38 The legislative authority for the activities under this heading derive from subprogramme 5 of programme 42 of the medium-term plan for the period 1992-1997, as revised, and article 5 of the Regulations Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation. More recent General Assembly resolutions also provide legislative guidance, namely, resolutions 43/219 of 21 December 1988, 44/194 of 21 December 1989 and 48/218 A of 23 December 1993 and B of 29 July 1994 on the improvement of the management of the United Nations.

29.39 This subprogramme will be implemented by the Central Monitoring and Inspection Unit. The Unit will continue to assume the responsibility prescribed in regulations 5.1 to 5.3 of the Regulations Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation. Monitoring will be strengthened in order to make it a more useful instrument for management as well as for reporting to Member States on the Organization's biennial programme performance. In addition, the system of monitoring of programme performance will be further elaborated in order to provide an analytical assessment of performance, especially with regard to the changes introduced during the process of implementation of the programme budget and the reasons for such changes. To this effect, monitoring and self-evaluation will be viewed as an integral part of the managerial oversight responsibility, which requires the generation, on a routine basis, of data and analytical information on implementation and results achieved, including the use of achievement indicators where appropriate. General guidelines for the establishment of such managerial oversight functions, including the development of performance indicators will be provided for the guidance of programme managers. The implementation of these guidelines will be monitored regularly to review how programme managers, throughout the Organization, collect and assemble information on their respective programmes in order to keep apprised of progress, analyse performance, enhance the economy and efficiency of implementation and establish adequate management accountability systems. Linkage between programme performance and the programme planning cycle, particularly the programme budget, will be the focus of the dialogue with programme managers.

29.40 The new function of inspections will also be undertaken under this subprogramme. Ad hoc inspections of programmes and organizational units will be conducted whenever and wherever there are indications that programme oversight needs to be strengthened, so as to improve programme delivery and minimize the potential for wasteful utilization of resources. Recommendations and assistance to strengthen programme management will be provided as appropriate.

29.41 The objectives of the subprogramme are:

(a) To enhance and strengthen the management of programmes and ensure that the monitoring and self-evaluation functions in each organizational unit of the Secretariat are viewed as an integral part of management oversight responsibility for the efficiency and effectiveness of programme performance;

(b) To provide support to managers in establishing a proper system of programme monitoring, including the development of performance indicators and the analytical assessment of performance. Such a system requires gathering of information on programme implementation and results achieved;

(c) To provide necessary analytical and transparent information on actual programme performance to intergovernmental bodies in order to bring about a constructive dialogue between Member States and the Secretariat on the ways for achieving the mandates and objectives of the Organization;

(d) To undertake quick analyses for the identification of problems affecting the efficient implementation of programmed activities and recommend corrective measures as appropriate.

29.42 During the biennium 1996-1997, systems for combining the monitoring of programme performance and self-evaluation will be set in place on the basis of the guidelines to be prepared by the Office of Internal Oversight Service in 1996. These guidelines will continue to be reviewed and improved, and the effectiveness of the systems in place will be monitored. Assistance will be provided to management to strengthen their programme oversight functions, including the development of performance indicators. Programme delivery will be monitored regularly, with the aim of ascertaining implementation, the compatibility of resources utilized with final deliveries and the relevance of the changes introduced during

implementation to the objectives of the medium-term plan. The programme performance report for the biennium 1994-1995, to be provided to the General Assembly through the Committee for Programme and Coordination in 1996, will contain analytical information derived from the above systems.

29.43 Ad hoc inspections of programmes and organizational units will be conducted in a limited time-frame whenever and wherever there are good reasons to believe that programme oversight is inadequate and the potential for the non-attainment of the objectives of the medium-term plan of the Organization and wasteful utilization of resources is significant. These inspections will include:

(a) A broad review of the activities undertaken by departments and offices in order to identify weaknesses affecting the efficiency and effectiveness of programme delivery;

(b) A broad review of programme oversight and control mechanisms to assess their adequacy;

(c) Recommendations for addressing the weaknesses of the programmes and for strengthening their management;

(d) Follow-up action to ensure compliance with recommendations.

Activities

1. Parliamentary services

(a) *Parliamentary documentation.* Report on the programme performance of the Organization for the biennium 1994-1995;

(b) *Substantive services.* Servicing the Committee for Programme and Coordination at its thirty-sixth session and the Fifth Committee of the General Assembly at the fifty-first session.

2. Internal oversight services

(a) Biannual monitoring of programme implementation of 27 departments and offices, including the further refinement of the database and relevant instructions;

(b) Six inspections (UNEP, UNCHS, the Department for Policy Coordination and Sustainable Development, the Crime Prevention and Criminal Justice Branch, ECLAC and ESCAP);

(c) Follow-up to the recommendations emanating from inspections conducted in 1995 (UNCTAD and the Field Administration and Logistics Division/Department of Peace-keeping Operations) and in 1996-1997;

(d) Further improvement of the guidelines for incorporating self-evaluation in the reporting exercise and assessment of the adequacy and effectiveness of the systems and procedures followed by programme managers in accordance with the guidelines;

(e) Assistance to programme managers in the development of performance indicators and in strengthening their oversight functions.

Resource requirements (at current rates)

Posts

29.44 Resources requirements are estimated at $1,318,300, reflecting a real growth of $212,200. The current staffing of the Central Monitoring and Inspection Unit (one D-1, one P-5, one P-4, one P-2 and three General Service) has remained unchanged for the last 10 years. The resources were commensurate with the workload, responsibilities and coverage of the monitoring exercise, as originally conceptualized. Yet, over the years, and particularly since 1992, the monitoring and reporting of programme performance became more comprehensive in its coverage to include technical cooperation and activities which in earlier bienniums were excluded from the exercise. At the same time, the information base of the exercise expanded quantitatively and qualitatively to include work-months data and detailed analysis of departures from programmed commitments. All of these changes were introduced at the request of the Committee for Programme and Coordination.

29.45 With the establishment of the Office of Internal Oversight Services, the responsibility of the Central Monitoring and Inspection Unit has been expanded in order to address the concerns of Member States

regarding the qualitative nature of reporting programme performance and the need to enhance programme management capability. Thus, the Unit was entrusted with the task of incorporating self-evaluation as part of the monitoring exercise. This included the development of guidelines and the provision of assistance to managers in strengthening their oversight responsibility. It was also given inspection responsibilities to examine the efficiency and effectiveness of implementation and the adequacy of programme oversight functions. In order for the Unit to discharge its expanded functions in the course of 1996-1997, additional staff resources of two P-4 posts will be required.

29.46 The increase in staff resources from the current level of 96 professional work-months, including the Chief of the Unit, to 144 work-months is needed, first and foremost, to strengthen the thoroughness and analytical aspect of the monitoring and reporting exercise and to undertake the new function of inspection. At the present time, the three professional staff, under the direction of the Chief of the Unit, review the activities of a total of 27 departments and offices. With one additional post at the P-4 level, the number of departments and offices reviewed per officer will be decreased, thus allowing officers to devote more time to the analysis of submissions received and more frequent follow-up with submitting departments and offices, and improving the qualitative content of the report of the Secretary-General on programme performance. This would also allow for the intensification of the Unit's efforts in conducting ad hoc inspections and follow-up to those inspections to ensure compliance and assist programme managers in the development of performance indicators, as well as in improving their existing programme oversight systems and reporting. One additional P-4 post will also be required for merging self-evaluation with the monitoring function. In consultation with programme managers, guidelines for the development of performance indicators will be developed and data, and analytical information on results achieved will be generated on a regular basis and integrated in the programme performance report.

Other staff costs

29.47 The estimated requirements of $14,000 relate to general temporary assistance ($8,200) and overtime ($5,800).

Consultants and experts

29.48 Resources estimated at $13,600, representing a growth of $7,700 over the 1994-1995 level, are projected. The increase of consultant resources is needed to cover some of the expertise required for inspections to be conducted during the biennium.

Travel

29.49 Resources estimated at $28,400, including a real growth of $17,400, are proposed. The growth relates to travel of staff to conduct inspections at overseas duty stations based on results of the monitoring of programmes.

Equipment

29.50 A provision of $2,600 is proposed for office automation equipment.

Subprogramme 4
Investigations

Table 29.12 Summary by object of expenditure
(Thousands of United States dollars)

Object of expenditure	1992-1993 expenditures	1994-1995 appropriations	Resource growth		Total before recosting	Recosting	1996-1997 estimates
			Amount	Percentage			
Posts	—	811.0	1 500.9	185.0	2 311.9	137.8	2 449.7
Other staff costs	—	—	15.6	—	15.6	0.6	16.2
Consultants and experts	—	—	31.7	—	31.7	1.6	33.3
Travel	—	—	106.7	—	106.7	5.1	111.8
Supplies and materials	—	—	48.7	—	48.7	3.1	51.8
Equipment	—	—	123.7	—	123.7	6.2	129.9
Total	**—**	**811.0**	**1 827.3**	**225.3**	**2 638.3**	**154.4**	**2 792.7**

Table 29.13 Post requirements

Programme: Investigations

	Established posts		Temporary posts					
	Regular budget		Regular budget		Extrabudgetary resources		Total	
	1994-1995	1996-1997	1994-1995	1996-1997	1994-1995	1996-1997	1994-1995	1996-1997
Professional category and above								
D-1	—	1	—	—	—	—	—	1
P-5	1	2	—	—	—	—	1	2
P-4/3	3	9	—	—	—	—	3	9
P-2/1	1	—	—	—	—	—	1	—
Total	**5**	**12**	**—**	**—**	**—**	**—**	**5**	**12**
General Service category								
Principal level	1	1	—	—	—	—	1	1
Other levels	1	3	—	—	—	—	1	3
Total	**2**	**4**	**—**	**—**	**—**	**—**	**2**	**4**
Grand total	**7**	**16**	**—**	**—**	**—**	**—**	**7**	**16**

29.51 The legislative authority for activities under this heading derives from General Assembly resolution 48/218 B.

29.52 The specific objective of the subprogramme is to investigate reports of violations of United Nations regulations, rules and pertinent administrative issuances and to transmit to the Secretary-General the results of such investigations, together with appropriate recommendations to guide the Secretary-General in deciding on jurisdictional or disciplinary action to be taken.

29.53 This subprogramme is implemented by the Investigations Unit of the Office, which was established in February 1994 through redeployment of posts from the former Internal Audit Division and Management Advisory Service. As well as carrying out the above-mentioned investigations, the Unit will focus on assessing the potential within programme areas for fraud and other violations through the analysis of systems of control in high-risk operations, as well as offices away from Headquarters. On the basis of this analysis, recommendations will be made for corrective action to minimize the risk of commission of such

violations. The Unit will also receive and investigate reports from staff and other persons engaged in activities under the authority of the Organization suggesting improvements in programme delivery and reporting, perceived cases of possible violations of rules or regulations, mismanagement, misconduct, waste of resources or abuse of authority, as well as misuse of funds and waste or abuse of United Nations facilities or privileges. Falsely accused staff members will be cleared fully. In this connection, the Unit will continue to run the confidential reporting facility established under administrative instruction ST/AI/397 and paragraph 18 of the Secretary-General's Bulletin ST/SGB/273, both dated 7 September 1994.

29.54 At its creation, 37 cases were passed to the Unit for investigation, and 77 more have been added during the last 10 months. Sixteen of these new cases were brought in by complainants through the confidential reporting facility established under administrative instruction ST/AI/397, which was issued to implement paragraphs 6 and 7 of General Assembly resolution 48/218 B. Three suggestions for improving the use of resources were also received under that reporting facility. As is inherent in the nature of investigation cases, while only 16 of this total of 114 cases have been closed, 20 are at various stages of investigation or follow-up for disciplinary action or prosecution. At the time of the preparation of the present programme budget proposals, new cases were coming in for investigation at the rate of five per month.

29.55 Some of the cases involve numerous and large-scale activities and transactions. Each of these requires the concerted efforts of two or three investigators and may last for a year or more. Other cases can be assigned one or two to an investigator.

29.56 In its resolution 47/211 of 23 December 1992 the General Assembly requested the Secretary-General to make proposals on establishing measures to recover misappropriated funds and on seeking criminal prosecution of those who have committed fraud against the Organization. Accordingly, each case is investigated with the aim of identifying the person or persons responsible for the violation, instituting disciplinary and/or judicial actions against them, recovering the losses and damages to the United Nations and recommending measures to the senior Programme Manager to preclude, or at least minimize, the recurrence of the violation and losses. The Investigations Unit will follow up periodically on each recommendation to ensure that the measures are in place and functioning effectively.

29.57 Investigative work is time consuming not only in terms of the need to uncover the facts of the case and establish the evidence of the violation and the level of losses and damages to the Organization, but also in terms of the need to assist the Office of Legal Affairs and the Office of Human Resources Management to prepare the case for disciplinary action and, whenever warranted, for civil or criminal action in the courts. On the other hand, the investigators are also duty-bound to clear those who are falsely accused of wrong-doing and to establish the basis of disciplinary action against those who had wilfully made the false accusation. Cases brought to court entail enormous amounts of additional work for the investigators. They have to liaise with and provide supporting evidence and technical assistance to police and prosecutorial authorities, and testify at grand juries as well as in court. The international nature of United Nations activities also complicates the investigative function.

29.58 It is evident that both the accumulated and new cases constitute a workload that is too heavy for the small Unit to clear. To help the Unit with the most urgent cases, several staff were co-opted on an emergency basis from the Audit and Management Consulting Division: one Auditor and one Audit Assistant for nine months and another Auditor for five months. This ad hoc arrangement, however, had to be terminated because it was setting back the work of the Audit and Management Consulting Division.

Activities

Internal oversight services

(a) Investigate approximately 190 cases;

(b) Operate the confidential reporting facility instituted under administrative instruction ST/AI/397 to receive and investigate suggestions for improvements in programme delivery as well as reports of perceived cases of possible violations of rules or regulations, mismanagement, misconduct, waste of resources or abuse of authority;

(c) Analyse systems of control in four high-risk operations and offices away from Headquarters to assess the potential in their programme areas for fraud and other violations. Based on the analyses, recommend corrective action to preclude the commission of such violations;

(d) Prepare a manual setting out the operational standards and guidelines of the Investigations Unit;

(e) Formulate, in consultation with the Office of Legal Affairs and the Office of Human Resources Management, agreed definitions of the elements that constitute the various acts of violations of rules or regulations, mismanagement, misconduct, waste of resources, abuse of authority, misuse of funds and waste or abuse of United Nations facilities or privileges;

(f) Develop a computerized management information system for the storage, analysis, retrieval and organization into useful reports of the investigations data;

(g) Train investigative staff in basic and specific techniques and aspects of investigation.

Resource requirements (at current rates)

Posts

29.59 Estimated requirements of $2,311,900, including a growth of $1,500,900, reflect six new posts (one P-5, two P-4, two P-3 and one General Service (Other level)) and the full cost in 1996-1997 of one P-4, one P-3 and one General Service (Principal level post) added at the end of 1994 as well as the internal redeployment of one D-1, one P-4, one P-3 and one General Service (Other level) post to the Investigations Unit and one P-2/1 out of the Unit. To deal with the estimated workload of 190 cases in a timely manner according to an order of priority, requires at least 12 investigators at the Professional level and above and 4 support staff at the General Service level, one of whom should be at the Principal level. The complexity and scope of the functions to be performed by the Investigations Unit, as well as the high level of Government authorities, Secretariat management and officials of international organizations, such as the INTERPOL, that it will have to deal with in the performance of those functions require no less than the proposed staffing complement.

Other staff costs

29.60 A provision of $15,600 is required under this heading for general temporary assistance to cover extended sick leave and maternity leave of regular staff ($5,900) and for overtime payments of General Service staff who have to work beyond office hours to help complete urgent cases ($9,700).

Consultants and experts

29.61 Aspects of investigation that require expertise not possessed by the staff of the Unit will require the commissioning of either individual or institutional consultants, for which a provision of $31,700 is requested. An example of an institutional consultancy is the forensic analysis of evidence gathered in the investigation of fraud or theft of cash or other assets of the United Nations, in order to determine how the fraud or theft was effected and thereby help identify the perpetrator.

Travel

29.62 Field investigations at the major duty stations at Geneva, Vienna, Nairobi, Bangkok, Amman, Addis Ababa, Santiago, at the subregional offices of the regional commissions and at the numerous sites of peace-keeping operations and of UNHCR, the United Nations Department for Policy Coordination and Sustainable Development, the Department for Development Support and Management Services and regional commissions' country programmes and projects, require a minimum of $106,700 for the 1996-1997.

Supplies and materials

29.63 A provision of $48,700 would be required to purchase regular office supplies, as well as for special needs of the Unit.

Equipment

29.64 A provision of $94,400 would be required to purchase and install a local area network server for the confidential investigation database, desktop computers, one server for the nine new staff, laptops for investigators, one scanner and one optical disk storage. Estimated requirements of $29,300 would provide for the acquisition of software packages.